

DECLARATION OF DR. MATTHEW KREPPS

1. The expert opinions that are the subject of my expert report, and my upcoming deposition, are based on my expertise in the techniques and methodologies obtained during my doctoral work at Harvard University, where one of my fields of specialization was corporate finance, and where I achieved the highest score of the 1990s obtained by any Harvard doctoral student on the economics department general examination.

2. Beyond my academic training, my experience applying the quantitative methodologies utilized in this valuation exercise, including regression analysis and implementation of the capital asset pricing model derives, *inter alia*, from my 8 years of experience working for one of the premier economic litigation consulting firms (now called Compass Lexecon, formerly known as Lexecon) during which time I contributed to numerous expert reports that were utilized in state and federal courts throughout the United States and in foreign countries including Canada, Australia, and Indonesia.

3. With respect to the nature and complexity of the discovery responses provided, my expert opinion is based on the use of several methodologies that require graduate-level training to utilize, including regression analysis and the implementation of the capital asset pricing model. Moreover, my graduate training in the economics of mechanism design (i.e. how parties structure terms in order to generate the behaviors they hope to induce in other actors) was utilized in interpreting the terms of what the Court referred to as a very labyrinthine contract.

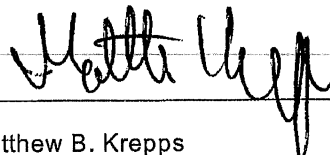
4. I have published numerous academic papers in leading peer-reviewed journals employing the techniques and methodologies utilized in my expert report, including publications in the *Brookings Papers on Economic Activity*, *The Review of Economics and Statistics*, the

International Journal of Industrial Organization, and the Journal of Economic Behavior and Organization.

5. With respect to fees that I typically charge on related matters, the lowest fee that I currently charge for work implicating my training and experience as a PhD economist with specializations in finance and business strategy is the lesser of \$5000 per full day (or roughly \$700 per hour) or \$2000 per hour for shorter periods of time, plus business class expenses (transportation, lodging, and meals). For example, my two most recent engagements involve a 90 minute session for a group of Swedish business executives hosted by the Massachusetts Institute of Technology (where I was formerly on the faculty) on October 1, 2013 for \$3000, and a 3 day (7 hours per day) session for Chinese business executives in Hong Kong from September 19-21, 2013 for \$16,500 plus expenses.

6. The aforementioned client engagements, of which I do 6-10 engagements per year and have done so for the past decade, involve my application of quantitative economic methodologies (including those utilized in my expert report in this case) to real world companies, and explaining and defending said applications to groups of business executives. The structure of my task in this case is quite similar, with the exception being that I will be explaining to attorneys rather than business executives the application of the methodologies to real world data.

I declare under penalty of perjury that the foregoing is true and correct. Executed on October 2, 2013.


Matthew B. Krepps